



DEPLOYED SOLDIERS GUIDE TO FINANCIAL ENTITLEMENTS

HOW YOUR PAY STACKS UP WHILE DEPLOYED



266th Finance Command

U.S. Army Europe & 7th Army/266

FINCOM



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DEPLOYMENT ENTITLEMENTS

HANDBOOK

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DEPLOYMENT ENTITLEMENTS HANDBOOK

PREFACE



We have designed this quick reference handbook to provide you with an understanding of military pay entitlements and allowances related to service in the OIF/OEF area of operations. It contains a brief explanation of each entitlement or allowance, who is eligible to receive it, and the applicable amount(s). No quick reference handbook can answer all questions for all situations and this is not the intent. You should direct questions concerning individual situations and unique circumstances to your unit Personnel Administration Centers (PAC) and/or servicing finance units.

The presence of an entitlement or allowance in this handbook does not guarantee that every Soldier deployed to the SWA region is authorized to receive the entitlement or allowance. To qualify for an entitlement or allowance each Soldier must meet the criteria governed by the applicable regulation and be able to substantiate with applicable documentation prior to receipt of payment.

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AFACSWA is on page 4

An entitlements map of some commonly visited areas



DEPLOYMENT ENTITLEMENTS HANDBOOK

ENTITLEMENTS MAP

as of 1 July 2005

TURKEY: Hardship Duty Pay \$100 (Afyon, Batman, Corlu, Diyarbakir, Gaziantep, Iskendrun, Mardin, Mersin, Oguzeli, Sabiha Gokeen, Sanluisurfa, Tasucu, Nusaybin, Konya, and Pircinlik only); Hardship Duty Pay - \$50 (Eskisehir only), Hostile Fire Pay (Excluding Turkish Straits), Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

JORDAN: Hardship Duty Pay - \$100 (King Faisal AB, Prince Hasan, Shaheed); Hardship Duty Pay \$50 (all others), Hostile Fire Pay, Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

KUWAIT: Hardship Duty Pay - \$100, Hostile Fire Pay, Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

SAUDI ARABIA: Hardship Duty Pay - \$100 (Ar'ar Airport & Tabuk Air Base only), Hostile Fire Pay, Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

Southwest Asia



QATAR: Hardship Duty Pay - \$50 (Al Udeid, Camp Snoopy, and Camp As Syliyah); Hardship Duty Pay - \$0 (all others), Hostile Fire Pay Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

SYRIA: Hardship Duty Pay - \$100; Hostile Fire Pay; CZTE; FSA-II, BAS, Per Diem, SLA

UZBEKISTAN: Hardship Duty Pay - \$100, Hostile Fire Pay, Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

IRAQ: Hardship Duty Pay - \$100, Hostile Fire Pay, Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

AFGHANISTAN: Hardship Duty Pay - \$100, Hostile Fire Pay, Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA

PAKISTAN: Hardship Duty Pay - \$100, Hostile Fire Pay, Savings Deposit Program, CZTE, FSA-II, BAS, Per Diem, SLA



TEMPORARY DUTY (TDY)

Per Diem

Per diem is a travel allowance provided as a daily payment in lieu of reimbursement of actual expenses during government directed travel. Soldiers deployed under Temporary Change of Station (TCS) orders, Temporary Additional Duty (TAD) orders, or Group Travel Orders (unit movement orders) are entitled to per diem.

The amount of per diem is based on the availability of lodging, meals, and the incidental expense rate specified by the Per Diem, Travel, and Transportation Allowance Committee for the location. The current specified incidental expense rate for all overseas locations is \$3.50 per day. Specified lodging and meal rates vary by location.

In general, deployed Soldiers only receive the incidental portion of per diem as military lodging and meals are available throughout the theater.

Soldiers do not receive per diem during rest and recuperation leaves, bad conduct status (such as AWOL), or



FAMILY SEPARATION ALLOWANCE

(FSA-II)

Family Separation Allowance (FSA-II) is intended to offset added expenses incurred by a member due to enforced separation from dependents. As of 1 October 2002, FSA is payable at \$250 per month (\$8.33 per day). Entitlement begins the day of departure from home station and ends the day prior to return to home station. It will appear as FSA on the Leave and Earning's Statement (LES).

FSA is payable to any Soldier with dependents who is TDY for more than 30 days and the dependents are not residing at or near the TDY station. Entitlement stops if the Soldier returns to home station for more than 30 days during the TDY period. FSA is generally payable to a dual military couple with no dependents, if the couple resided together before being separated, and are deployed to different locations. (Only one member is entitled even if both are deployed).

Soldiers are required to complete a DD Form 1561 before this entitlement may start. Agents may not sign the DD Form 1561 on behalf of the Soldier.



BASIC ALLOWANCE FOR SUBSISTENCE

(BAS)

Basic Allowance for Subsistence (BAS) is a cash allowance intended to help reimburse Soldiers for expenses incurred when subsisting themselves.

During a contingency deployment, BAS is normally payable to all officers, warrant officers, and enlisted members. As of January 2005, the standard rate for officers is \$183.99 per month. The standard rate for enlisted is \$267.18. Entitlement begins the day of departure and ends the day of return to home station. Those Soldiers that are meal card holders, will have their meal deductions stopped.

BAS is not collected for meals consumed while deployed. Instead, the Soldier forfeits the meal portion of per diem when subsisted at no charge. TCS/TAD orders should reflect periods when Soldiers are charged for subsistence. During these periods, the applicable per diem rate will apply.



BASIC/OVERSEAS HOUSING ALLOWANCE

(BAH/OHA)

Basic Allowance for Housing (BAH/OHA) is a cash allowance intended to help reimburse Soldiers for expenses incurred when quarters are not provided by the government.

During a contingency deployment, BAH/OHA entitlement does not normally change. Active component Soldiers who were entitled to BAH/OHA prior to deployment generally continue to receive BAH/OHA unless other circumstances change (e.g. designated authority revokes Soldier's authorization to reside off-post). Likewise, Soldiers who were not receiving BAH/OHA generally continue non-receipt unless other circumstances change (e.g. Soldier's spouse uses power of attorney to terminate government quarters). Reserve component Soldiers must establish entitlement to BAH/OHA upon mobilization.

For active component Soldiers, BAH/OHA rates vary by rank, dependent status, and assigned permanent duty station. During deployment, the BAH/OHA rate continues based on the assigned permanent duty station. This rate does not change even if dependents choose to relocate to another area for duration of the deployment, unless orders are issued to assign the dependents to a designated location - then BAH/OHA is



BASIC/OVERSEAS HOUSING ALLOWANCE

(BAH/OHA) continued

For reserve component Soldiers, BAH/OHA rates vary by rank, dependent status, and home of residence zip code/location code. During deployment, Soldiers are entitled to BAH-I/OHA if maintaining a residence. Rate of BAH-I/OHA is based on home of residence zip code/location code and applicable dependency status. Soldiers without dependents are entitled to BAH-partial if not maintaining a residence unless the Soldier uses the entitlement for special storage of household goods. Reserve component Soldiers using special storage of household goods and not maintaining a residence are not entitled to BAH.

Soldiers paying child support who have no other dependents are entitled to BAH-DIFF. If a Soldier paying child support who has no other dependents also maintains a residence, the Soldier is entitled to BAH-DIFF and BAH-I/OHA at the without dependent rate. Utilization of special storage of household goods does not impact entitlement to BAH-DIFF.



COST OF LIVING ALLOWANCE

(COLA)

Cost of Living Allowance (COLA) is a cash allowance intended to enable an equitable standard of living in areas where costs of living is unusually high.

Members permanently assigned to certain designated areas receive this entitlement. During a contingency deployment, COLA entitlement does not normally change. **Soldiers who were entitled to COLA prior to deployment generally continue to receive COLA.** ***Soldiers deploying from an area not qualifying for COLA are not entitled to COLA while deployed even if the deployed location is a designated COLA area.***

COLA rates vary by rank, dependent status, number of dependents, and assigned permanent duty station. During deployment, the COLA rate remains that of the assigned permanent duty station. Except for periodic adjustments, the basic determination does not change as long as command sponsored dependents remain in the designated area.

However, if dependents return to CONUS or leave the PDS area for more than 30 days, COLA is changed to reflect the number of dependents remaining at the PDS. If all dependents



HARDSHIP DUTY PAY - LOCATION (HDP-L)

Hardship Duty Pay – Location for Designated Areas (HDP-L) is a special pay intended to compensate Soldiers serving in locations where living conditions create undue hardship on them.

It is payable to all Soldiers who are performing official duties for more than 30 days in a designated hardship duty location (see entitlements map on page 4).

HDP-L rates vary by location. Specified amounts are monthly amounts paid on a daily basis (e.g. \$50 HDP-L rate equates to \$1.66 per day; \$100 HDP-L rate equates to \$3.33 per day; \$150 HDP-L rate equates to \$5 per day). Entitlement begins the day of arrival in the designated location and ends the day of departure. Specified amounts are the maximum receivable for a given month.

If necessary, in-theater servicing finance units will start HDP-L entitlement after arrival in theater.



HOSTILE FIRE/IMMINENT DANGER PAY ***(HFP/IDP)***

Hostile Fire/Imminent Danger Pay (HFP/IDP) is a special pay intended to compensate Soldiers serving in locations where they are subjected to imminent danger and/or hostile fire. It is payable to all Soldiers performing official duties in a designated HFP/IDP area (see entitlements map on page 4).

As of 1 October 2002, the normal specified rate for HFP/IDP is \$225 per month. One day spent in a designated HFP/IDP area qualifies the member for the entire monthly amount.

In-theater servicing finance units will start HFP/IDP entitlement after arrival in theater.



COMBAT ZONE TAX EXCLUSION (CZTE)

Combat Zone Tax Exemption (CZTE) exempts Soldiers who serve in designated hostile fire pay areas from payment of income taxes. Both federal and state income tax withholding are exempted.

Any Soldier serving in a designated combat zone, or in a designated HFP zone performing direct support to operations is entitled to CZTE.

As of 2005, officers' pay up to the base pay of the Sergeant Major of the Army, plus HFP are eligible; the current ceiling is \$6,529.20. Income earned beyond this amount is fully taxable. For enlisted members, all eligible pay is exempt.

Leave earned while in a CZTE area is also excluded from income taxes. For tax purposes, leave earned in the CZTE area is the first leave used after leaving the CZTE area. Officers CZTE leave can be confusing; therefore, we have developed an information paper to explain in detail how it works - please see the following:

https://www.266fc.hqusareur.army.mil/FAPD/EapdInfo/CZTE-L_Inf

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Reenlistment bonuses contracted in the CZTE area are



COMBAT ZONE TAX EXCLUSION (CZTE)

TYPES OF PAY EXCLUDED

The following military pay items can be excluded from income taxes:

1. Active duty pay earned in any month served in a combat zone.
2. Student loan repayments that are attributable to periods of service in the combat zone provided a full year's combat zone service is performed to earn the repayment.
3. A reenlistment bonus if the voluntary extension or reenlistment occurs while serving in a combat zone.
4. Pay for accrued leave earned in any month served in a combat zone (officers see page 13).
5. Pay received for duties as a member of the armed forces in clubs, messes, post and station theaters, and other non-appropriated fund activities. The pay must be earned in a month the member served in a combat zone.
6. Awards for suggestions, inventions, or scientific achievements members are entitled to because of a submission they made while serving in a combat zone.



SAVINGS DEPOSIT PROGRAM

(SDP)

The Savings Deposit Program (SDP) allows Soldiers to deposit an amount up to their current unallotted pay into a government savings program that earns 10% annual interest, compounded quarterly. The program pays interest on amounts up to \$10,000.

Soldiers performing official duties in designated areas may participate in the program (see entitlements map on page 4). To be eligible, the Soldier must meet designated criteria for the area and the applicable contingency operation. Generally, Soldiers on orders contemplating duty for more than 30 days, can make their first deposit after arrival into the theater for up to the amount of that month's pay. Department of Defense Financial Management Regulation, Volume 7A, Chapter 51 outlines requirements for various contingency operations. Also, for more detail, take a look at our frequently asked questions at: <https://www.266fc.hqusareur.army.mil/FAPD/FapdInfo/SDP.pdf>.

Active component Soldiers may contribute through allotment (preferred method) or cash deposits (cash or negotiable instrument). Reserve component Soldiers may only contribute through cash or personal checks. Monthly deposits are **limited** to an amount up to net unallotted current pay and allowances. Agents with a power of attorney authorizing them to start, stop or change allotments may start a SDP allotment on behalf of the deployed member once the deployment entitlements are showing in the Soldier's pay account. Agents with a power of attorney authorizing them to make investments on the



THRIFT SAVINGS PLAN

(TSP)

The Thrift Savings Plan (TSP) is a Federal Government-sponsored retirement savings and investment plan that allows tax-deferred investing. For 2005, you may contribute up to 10% of base pay and up to 100% of incentive and special pays (to include bonus pay). For 2006 and thereafter, the TSP limits are eliminated, however, there is a \$15,000 annual IRS limit. Soldiers can contribute 1% to 100% of any incentive pay; pay or bonus pay if they elect to contribute base pay. TSP savings based on earnings while entitled to CZTE will be non-taxable when withdrawn at retirement. Interest income earned on all savings is taxable.

If you would like to start, change or start TSP contributions, follow the instructions on the myPay website or submit an election form TSP-U-1 to your local finance office.



SPECIAL LEAVE ACCRUAL

Special Leave Accrual (SLA) is the authority to exceed a 60-day leave balance at fiscal year end. It is not an additional form of leave. SLA is intended to provide relief to Soldiers not allowed leave during lengthy deployments or periods of hostility. ODCSPER is the proponent for SLA. Governing rules are prescribed in AR 600-8-10, Leaves and Passes, Chapter 3.

SLA is authorized for Soldiers serving in an area in which they were entitled to HFP for at least 120 continuous days. SLA approval for this category is automatic.

SLA is authorized for Soldiers assigned to a designated deployable ship, mobile unit, or other similar prescribed duty and were prevented use of leave due to assignment and designation.

SLA is also authorized for Soldiers who deployed for at least 60 days and less than 120 days to meet a contingency operation of the U.S. or to enforce national policy or an international agreement based on a national security threat, and were prevented from using leave through the FY because of deployment or mission requirements.

Soldiers who earned SLA while in a HFP area have 3 fiscal years to take the leave. SLA is debited from the leave account using the last in, first out method. For tax implications, go to the CZTE link on page 13 of



DEPLOYMENT ENTITLEMENTS EXAMPLES

The following pages provide examples of the effects a deployment may have on your pay. These examples are only estimates and actual amounts will vary. All examples given are based on being deployed to a CZTE area. Refer to previous pages to determine if an entitlement applies to you. Use this only as a guideline to get a closer estimate of your situation:

1. **Base Pay/Special Pays** - no change due to deployment
2. **BAS** - meal card holder increase \$8.90 per day in 2005;
No change for non-meal card holders
3. **BAH** - no change
4. **HFP** - \$225 per month for any period of time during the month
5. **HDP-L** - Rate varies by location; \$1.33 per day for locations authorized \$50; \$3.33 per day for locations authorized \$100
6. **FSA** - \$250 per month or \$8.33 per day, starting 30 days after separation from family members
7. **Per Diem** - \$3.50 per day
8. **CZTE** - Amount equal to federal taxes on LES; Officers not to exceed Sergeant Major of the Army Pay plus HFP (do not include Medicare and social security taxes in this amount)



DEPLOYMENT ENTITLEMENTS

Single - No Dependents

Married - 2 Dependents

<u>Entitlements</u>	<u>SGT</u>	<u>CPT</u>	<u>SGT</u>	<u>CPT</u>
Combat Zone Tax Exclusion ¹	\$236.00	\$736.00	\$197.00	\$671.00
Per Diem ²		\$105.00	\$105.00	\$105.00
				\$105.00
BAS (Additional) ³	\$267.18	\$ 0.00	\$ 0.00	\$ 0.00
Hostile Fire Pay ⁴	\$225.00	\$225.00	\$225.00	\$225.00
Family Separation Allowance ⁵	N/A	N/A	\$250.00	\$250.00
Hardship Duty Pay - Location ⁶	<u>Note 6</u>	<u>Note 6</u>	<u>Note 6</u>	<u>Note 6</u>

1. **Combat Zone Tax Exclusion** - Areas designated as combat zones are exempt from paying Federal Income Tax. Officers are limited to \$6,529.20 (CSA's pay of \$6,304.20 + \$225 for HFP) for tax exclusion. **These CZTE figures are estimates.**

2. **Per Diem** - \$3.50 per day. All per diem is paid upon travel settlement.

3. **BAS** - Soldiers SSG and above receive BAS automatically.

4. **Hostile Fire Pay (HFP)** - Areas designated as hostile fire pay areas are entitled to \$225/month.

5. **Family Separation Allowance (FSA-II)** - Payable to Soldiers with dependents.

6. **Hardship Duty Pay (HDP)** - Rates are based on location and the designation of that area. Rate varies by location.



Reserve Component Pay Support Help Desk

USARC has established a support team called the USAR Mobilization Inquiry Team to assist with and Resolve RC Pay Inquiries and problems when you return back to home station. The team can be reached at: DSN 280-6466/5699/5618/5615; Commercial (608) 388-6466/5699/5618. Email: USARCPAYINQUIRY@emh2.mccoy.army.mil

US Army National Guard Pay Ombudsman

USARNG has established a National Guard Pay Ombudsman to assist with Guard pay issues regarding mobilization. The team can be reached at: 1-877-ARNGPAY. Email: ARNG-MILPAY@ARNG-FSG.NGB.ARMY.MIL

QUESTIONS

Contact your supporting unit PAC, local finance unit, or call the **266th Finance Command**, Finance Operations at DSN 379-5160/6122/7575